

~~CONFIDENTIAL~~

1 July 1964

OUTPLACEMENT SERVICE  
PERSONNEL OPERATIONS DIVISION

ANNUAL REPORT FISCAL YEAR 1964

MISSION AND FUNCTIONS

The CIA Outplacement Service is responsible for:

Furnishing advice and assistance to all categories of CIA personnel on external employment opportunities. Assistance includes advising on job opportunities in employee's speciality and/or fields of endeavor which provide a "transition" for Agency developed skills; advising on developing pertinent resumes and records of Agency employment; assisting in making employment referrals to government and industrial concerns; directing individual clients in their "employment search" research efforts; and maintaining close liaison with clientele in order to assist in the resolution of various related personnel-security-cover matters.

Maintaining liaison with all CIA career service boards on internal career potentials of prospective Outplacement clientele. Developing mutually agreeable work-relationship between Outplacement and the cognizant career services of individual clients.

Serving as the central Personnel liaison activity for the Director of Personnel (and Agency supervisors) on employment reference matters on all current and former CIA staff and contract employees; determines Agency reference position (after internal coordination) and prepares replies to industrial/Federal employment inquiries and Federal examination inquiries from various U.S. Boards of Examiners. Periodically reconfirms Agency working arrangements with these boards with respect to the manner in which CIA responds to their examination inquiries. Speaks for the D/Personnel on Agency employees' performances to telephonic inquirers who represent all organizational levels of the Federal and industrial sectors.

Maintaining Personnel liaison with all Federal investigators engaged in conducting security-loyalty investigations of current and former employees. Currently there are 35 investigative organizations, with approximately 150 investigators accredited to CIA. Reviews and provides personnel information to these investigators and, when necessary, arranges interviews with Agency officials.

Establishing and maintaining all liaison required in the internal and external coordination of administrative arrangements for the detail of CIA employees to other Federal organizations. Similarly, is responsible for the administrative coordination of details of other Federal employees into CIA.

Representing CIA on the Interdepartmental Placement Committee of the U.S. Civil Service Commission. This is a working-level interdepartmental group representing 55 Federal agencies on ~~day-to-day employment matters~~.

CHANGE IN CLASS.

DECLASSIFIED

CLASS CHANGE DATE: ~~1 JULY 1964~~

EXPIRE DATE: ~~31 DECEMBER 1964~~

AUTH: HQ 70-2

DATE: ~~10 MAR 1965~~

REVIEWER: ~~029 725~~

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Serving in a Personnel advisory capacity to the Office of Security, Central Cover Staff, and interested Agency components on "sensitive" cases requiring expert Personnel advise usually in the Federal employment area but not limited thereto.

Representing the Director of Personnel on personnel matters involving individuals having had prior "employment associations" with CIA (and OSS). This type of referral usually originate with Agency management or by officials of other organizations trying to secure Agency assistance for former employees seeking employment elsewhere. Cover, Security, and Personnel positions must be re-evaluated and reconciled so that such clients can seek employment of their choice. Employment search assistance is also often provided.

Serving on special "sensitive" termination cases, as the administrative and contact unit (in addition to furnishing employment search assistance) for individuals who are terminated under PL 110.

#### STAFFING

The CIA Outplacement Service has four professional employment search officers and a secretary. This staffing complement was approved about two and a half years ago. Internally the work assignments of the three senior officers are approximately the same. The fourth officer specializes in assisting clericals and junior professionals. In addition to assisting Agency employees seek external job opportunities, these officers must respond to employment and examination inquiries; establish and maintain liaison with Personnel representatives of Federal and industrial concerns and a large group of Federal investigators conducting security-loyalty investigations of current and former Agency employees (therefore not limited to Outplacement clients); making lead source surveys; and assisting in the appropriate resolution of cover stories of former Agency employees who have found living under some "cover" stories impossible. (The liaison responsibilities with Federal investigators were assumed this past fiscal year. The CCS liaison activities are gradually increasing as more and more of our employees move into the open labor market.)

#### STATISTICS

(Attachment A reflects a statistical breakdown of the Outplacement Service workload for the fiscal year 1964.)

The 343 client workload for fiscal year 1964 was about equal to those of fiscal years 1962 and 1963 (excluding the "701" clients). Although one's first reaction might be that the Outplacement Service's workload might level off at approximately 350 clients per year, there are a number of internal administrative changes in the offing that, when implemented, will have a direct impact on the work of the unit. We can all appreciate that with the passage of the "early" retirement bill, the Outplacement Service will be faced with assisting a somewhat

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different type of client than it has had heretofore. However, this past fiscal year seems, in retrospect, to have been the beginning of another era of administrative change. For example, this year has seen a sharp decrease in "self-referral" clients and a definite upsweep in management referrals. The Agency, in fact, appears to be "cleaning house" of many of its marginal employees (representing all work levels); surplusing a small number of excess employees; encouraging discontinued service retirements of marginal employees who have health or family problems which affect their performances, etc. To summarize, the day of the relatively "easy" outplacement case has just about disappeared. We can reasonably forecast that, in the immediate future, these cases will indeed get tougher. What does this mean insofar as the Outplacement operation is concerned? It means that each client will require a more concentrated placement effort in order to insure that each client explores every employment search opportunity to the greatest degree possible. It also means that the Outplacement Officer is going to be called upon to develop more and more job leads which heretofore have been a joint effort with the client doing a considerable amount of the research himself. Of course, with this gradual change, the Agency will also unavoidably get placed in a position of positively recommending such clients to organizations being contacted. In a sense, the Outplacement Officer will have to develop into a diplomat in order to avoid embarrassment to the Agency on some of these referrals.

PROBLEMS MET AND SOLVED FY 1964

1. Completed a review of all internal Outplacement procedures and have revised or updated all necessary internal procedural material.
2. In FY 1964, Outplacement assumed the coordination and reporting responsibilities for all CIA external details as well as details into CIA from other Federal organizations. During FY 1964, it was found that with the maturing of this Agency, an increasing number of components found it desirable to afford exposures of some of their personnel to operations of other agencies. The successful discharge of these coordination and reporting responsibilities have involved, in each case, considerable time and effort. However, the establishment of this formal administrative procedure has been definitely worth-while.
3. Since October, 1963, the Outplacement Service has been coordinating the review of the personnel data on current and former employees with Federal investigators representing 35 investigative organizations. A number of problems, that have apparently always been with us, are now under review and a staff paper is being prepared recommending modifications as to the modus operandi of these investigators.
4. Outplacement Service undertook an employment search survey of local industrial concerns operating in the metropolitan Washington area. Generally speaking, officials of those concerns contacted were receptive

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to considering our employees for their vacancies. However, the survey efforts were curtailed when Outplacement found that it had few clients available for these vacancies. Internal adjustments were made in this survey work and now each Outplacement Officer makes individual contacts in behalf of his client rather than on a broad-gauge survey base. This procedure is less costly when available clients are in small numbers.

5. As a result of the above mentioned job search survey findings, Outplacement undertook a special collating project of its various job lead source data. This data has been regrouped on a job type or occupational basis. One pool clerical was assigned to this project for six weeks and several major occupational groups have been completed. Others will be undertaken as the workload permits. To date, we have found that this job lead source index has enabled some of our clients, whose occupational interests are indexed, to develop job leads more quickly.

PROBLEMS MET AND NOT SOLVED IN FY 1964

1. Unlike the Department of State, it has become apparent, during this past fiscal year, that Agency management does not administratively desire the Outplacement Service to offer a broad career counselling service. Therefore, during FY 1965, the Outplacement Service will undertake a review and adjustment of its activities in terms of what Agency management forecasts as its prime interests in this area.

2. Although there doesn't seem to be any current administrative interest in this Agency securing a CIA-CSC Personnel Interchange Agreement, the outplacement of Agency employees into the competitive service would indeed be accelerated if such an agreement were to be consummated. Since Agency administrative management seems to review and consider significant changes in the Department of State personnel programs, when the Executive Order, now being drafted, is signed and gives Foreign Service personnel entry rights into the competitive service, our proposal might be reviewed again more favorably.

3. In order to more effectively place Agency personnel, the Outplacement Service will attempt to secure management's approval to broaden our training policy so as to permit employees, exodus under the new early retirement legislation, to avail themselves of various "re-training" types of courses. Language refresher and area training would definitely assist some of these employees in securing better job offers.

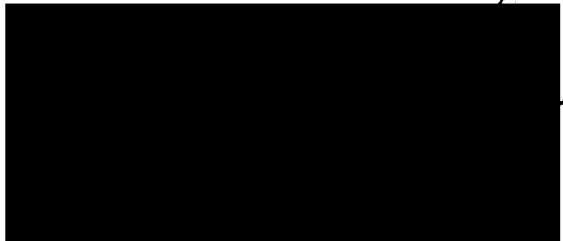
4. In view of the constant personnel turnover, especially in the DDP, it is planned to develop a publicity program for presentation to Agency management on Outplacement services available.

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RECOMMENDATIONS

The various functions assigned to the Outplacement Service can best be classified as "support" type activities and in order for this or any other support element to be fully responsive to management's requirements, management should periodically review and announce its immediate and future support needs. Therefore, it would seem that once the early retirement legislation has been passed and administrative decisions have been made as to how the various Agency components will resolve their career retention and ceiling problems, the Outplacement Service should be advised as to what workload it can anticipate for not only this new fiscal year but also for the next one.



Chief, Outplacement Service

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1 July 1964

(Attachment A)

STATISTICAL SUMMARY OF OUTPLACEMENT SERVICE ACTIVITIES

1 July 1963 to 30 June 1964

OUTPLACEMENT CASES

Total Number of Outplacement Cases Handled				343 (including 19 "701" clients)
Cases Open as of 30 June 1964				61
Cases Closed				282 (including 17 "701" clients)

<u>ANALYSIS BY GRADE</u>	<u>CASES HANDLED</u>			<u>AGENCY REASSGNRD</u>	<u>OUTSIDE PLACEMENTS</u>			<u>NO CONT'D INT.</u>	<u>RESIGNEES NOT PLACED</u>			<u>OPEN CASES</u>		
	<u>Invol.</u>	<u>Vol.</u>	<u>Total</u>		<u>Invol.</u>	<u>Vol.</u>	<u>Total</u>		<u>Invol.</u>	<u>Vol.</u>	<u>Total</u>	<u>Invol.</u>	<u>Vol.</u>	<u>Total</u>
O-12 and above	39	48	87	6 (3 Vol 3 Invol)	9	13	22	26	15	3	18	12	3	15
GS-7 to 11	63	45	108	5 (3 Vol 2 Invol)	24	16	40	17	12	5	17	25	4	29
GS-4 to GS-6	130	18	148	3 (1 Vol 2 Invol)	83	3	86	8	33	1	34	12	5	17
<b>TOTAL CASES HANDLED DURING 1963-64</b>	<b>232</b>	<b>111</b>	<b>343</b>	<b>14 (7 Vol 7 Invol)</b>	<b>116</b>	<b>32</b>	<b>148*</b>	<b>51** (Vol)</b>	<b>60</b>	<b>9</b>	<b>69</b>	<b>49</b>	<b>12**</b>	<b>61</b>

\*) Of the 148 placements, 75 were in government and 73 in private industry.  
 Voluntary Cases remaining open are on-duty personnel whose outside interests have been approved by Management, or Resignees. All others have been closed out under "No Cont'd Int."

EMPLOYMENT AND REFERENCE INQUIRIES

Employment and Examination Inquiries	1095
Internal Inquiries from Agency employees on status, leaving the area, etc.	250
Official Contacts with Federal Investigators	232

OUTPLACEMENT CONTACTS

Individual Lead Source Contacts	1800 (est)
Official Personnel Liaison Contacts	450 (est)
Representation at Inter-Department Committees	50
Representation at Professional Meetings	5

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TAB

A

MEMORANDUM: Chief, Personnel Operations Division  
FROM : Chief, Statistical Reporting Branch  
SUBJECT : Annual Report, Fiscal Year 1964

I. Functions of the Statistical Reporting Branch:

- A. The Statistical Reporting Branch, acting for the Office of Personnel, conducts research, makes analytical studies, and furnishes numerous statistical tabulations and listings for the Heads of Career Services and Operating Officials to assist them in planning, directing, and controlling personnel management activities.
- B. This Branch maintains current and historical statistical data, pertaining to Agency personnel, staffing complements, and ceiling authorizations, within the Branch and at Records Center to be used as reference by this Branch, Heads of Career Services, and Operating Officials.

II. Number of People Involved in the Work Force:

- A. As of 30 June 1964, there were nine employees assigned to this Staff which has a staffing complement of eight. Currently, one employee has been on advance sick leave for over one month but is expected to return 13 July 1964.
- B. Each employee has assigned duties and responsibilities in the preparation of scheduled as well as non-scheduled reports. The members of the Staff assist each other in the verification and preparation of these reports, thereby, becoming cognizant of each one's duties.
- C. During the past fiscal year, I was able to obtain outside assistance, JOT's and details from the Interim Assignment Section, to help this staff in meeting the additional requirements levied upon this Branch due to the Inspector General's Survey, and the establishment of ceiling controls resulting from the cut-back in ceiling allocations.
- D. The grade distribution of employees assigned to the Branch as of 30 June 1963 compared to 30 June 1964 is as follows:

DOCUMENT NO. \_\_\_\_\_

NO CHANGE IN CLASS.

DECLASSIFIED

CLASS. CHANGED TO: TS S C

NEXT REVIEW DATE: *02012*

AUTH: HR 70-2 DATE: 10 MAR 1982

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GROUP 1  
EXCLUDED FROM AUTOMATIC UPGRADE  
AND DECLASSIFICATION

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Number of Employees 30 June 1963	1964	Employee Grade
1	1	GS-12
-	1	GS-09
1	-	GS-08
1	1	GS-06
-	1	GS-05
4	5	GS-04
1	-	GS-03
Total	8	9

III. Production:

- A. This past fiscal year has resulted in the largest volume of special requests prepared by the Statistical Reporting Branch, and also in the number of special requests submitted by this Branch to the Automatic Data Processing Division.
- B. The number of special requests prepared during fiscal year 1964 by SRB and ADPD showed an increase of 43.3% and 45.3%, respectively, over fiscal year 1963.
- C. The number of recurring reports prepared by ADPD and distributed by SRB showed an increase over fiscal year 1963 of 5.1%. The reports prepared and distributed solely by SRB increased by 21.9% over the past fiscal year. This large increase for SRB was partially due to this Staff assuming the responsibility of preparing the CSGA's.
- D. The types of special requests submitted did not radically change except that there was a heavy emphasis placed on attrition and attrition rates; accessions and accession rates; and recruitment. With the possibility of the Agency's Retirement Bill being passed and with the new JOT master file being set-up, I feel that there will be increased attention in these areas. Also, with the new ceiling cuts and new slotting requirements currently in effect, it is assumed that these will initiate new reports and controls.
- E. Attached are following production tables (see Tabs A and B):
  - 1. Statistical Tables Prepared and Distributed.
  - 2. Machine Lists and Tabulations Distributed.
  - 3. Annual Activity Report for Fiscal Year 1964.

IV. Problems Met and Solved:

- A. Notification of ceiling changes are being received by this Staff on a more direct and punctual basis since the

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responsibility was given to the Manpower Control Officer, Mr. [REDACTED]

- B. A review was made of the applicant file removing those who had either cancelled or had entered-on-duty but were never deleted from this file.
- C. During the Inspector General's survey of the Office of Personnel, this Staff was requested to prepare numerous related reports. Through the assistance of personnel detailed to this Staff from the Interim Assignment Section and JOT's, who were in training, these requests were fulfilled.
- D. The reduction in Agency ceiling resulted in the establishment of stringent ceiling controls which entailed preparing new reports to assist in the control of ceilings and on duty strengths by office and by Agency.
- E. The problem of maintaining an easy-access method to information pertaining JOT's, both current and past, is almost completed. Within a month, it should be possible to receive JOT reports from the computer.
- F. The security implications surrounding the distribution of listings, which contain the total Agency strength, to an office or to an operating official, has been reviewed by the Physical Security Division of the Office of Security, and tighter controls will be forthcoming.
- G. There were over 5,000 overseas forms coded by this Staff, and punched on paper tape by the Status Unit before sending to ADPD. This took care of the enormous back-log we had on hand and now we are waiting to receive from ADPD the problem cases which may be surfaced before submitted current forms.

V. Problems Met and Not Solved:

- A. The overseas record has progressed quite well and within a couple of months the project should be maintained on a current basis.
- B. Sharing the same office with the CS Records and Reports Branch of CSPD creates security problems and, at times, interruptions with my Staff's work. Physical separation of the two Branches would be most desirable.
- C. The destruction of classified listings and tabulations is still a problem. I feel that some arrangement will be made this July when I meet with [REDACTED] of the Physical Security

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Branch of the Office of Security on another related matter, concerning the distribution of certain classified documents.

VI. Forecast:

A. Work

1. With the new ceiling cuts, there will be a need for tighter ceiling control mechanisms with a possible increase in the periodic reporting of Agency and office ceiling status.
2. It appears that more time and assistance will be given to Plans and Review Staff in preparing varied analytical studies and also in the preparation of illustrated statistical charts.
3. The Agency Personnel Emergency and Locator Record will be closely monitored by this Staff to see that changes are submitted on time, and that periodic reviews will be made to surface names who appear to have incorrect data.
4. The Office of Security has in the past and will probably continue in the future to come to this Staff for historical documents which will assist them in their research projects.
5. I expect to receive periodically requirements from the Inspector General's Staff as they continue their survey throughout the Agency.
6. Tighter controls will soon be instituted on selected classified documents which are distributed from this Staff. The type of controls and the amount of record keeping required has not yet been determined.
7. During this coming year, if time is available, I will commence reviewing the data contained in the History Tapes and furnish the items that are missing and correct those that are incorrect.
8. The total number of special requests submitted to ADPD by this Staff was the highest on record. I feel this coming fiscal year will see a slight dip in the volume of requests, since the Inspector General's Survey attributed somewhat to the great number of requests.
9. This Staff also surpassed any previous record in the number of special requests prepared by the Staff itself. I do not feel there will be any let-up in this area of reporting.

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10. If the Agency's Retirement Bill is passed this coming fiscal year many special and recurring requests will be submitted which will assist in the overall operation of this retirement system.
11. I can envision many worthwhile reports pertaining to the JOT's now that the data will be on magnetic tape, and up-dated currently.

B. Staff

1. During this past fiscal year, the Staff was comprised mostly of new employees with no previous Agency experience. But by working together, they were able to do an excellent job in completing a fiscal year that surpassed all other fiscal years in the production of special requests.
2. At the present time, there are more males assigned to this Staff than in the past, and so far this arrangement has worked out well. I feel that by using males and/or the grey-lady types there will be less turnover in this Staff.
3. The Staff could very well use an employee, GS-07 thru GS-09, who has had some experience in the field of statistics as well as Agency experience.
4. Since CSPD levies many requirements on this Staff, I am going to have one employee be responsible for the receiving and fulfilling these requests. I feel there will be less confusion and better control of information that is provided to CSPD.
5. The present Staffing Complement is sufficient. During periods when the staff is overloaded with requests or has special projects to do, it might be possible to receive assistance from either the IAS or from the JOT Program.

C. Problems:

1. The problems mentioned in Item V should all be resolved during this coming fiscal year with the exception of having CS Records and Reports Branch relocated. This will need outside authority and planning.

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2. There have been many problems concerning the handling and processing of documents that affect the applicant file, mainly, the forms titled: Request for Security Clearance; and Cancellation of Applicant Processing.
3. The recalling of Position Control Registers from Records Center has created many problems involving security, paper work, storage space, and the amount of physical handling required.

D. Recommendations:

1. It would be most desirous to have CS Records and Reports Branch located elsewhere.
2. A study should be initiated concerning the documents which are sent to Records Center in order to determine the following: (1) the necessary data to be sent; (2) the length of time it should be held; and (3) whether or not some form of data processing tape be used in place of the large, bulky documents.
3. I feel that it might be feasible to have an addressograph machine available in the Office of Personnel for use by this Staff as well as other components within OP. The number of envelopes which this Staff has to address, especially to meet calendar quarter requirements, is voluminous and also time consuming.
4. By down grading the classification of the Position Control Registers, from Top Secret to Secret after they become 3 or 4 years old, would greatly reduce the amount of paper work and special handling required whenever these documents are recalled from Records Center.



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Chief, Statistical Reporting Branch

Attachments:

Tab A - Reports Prepared and Distributed - Fiscal Year 1964  
Tab B - Annual Activity by Man-Hours - Fiscal Year 1964

Distribution:

2 - Addressee  
1 - SRB

STATISTICAL REPORTING BRANCH

FISCAL YEAR 1964

STATISTICAL TABLES PREPARED AND DISTRIBUTED

FREQUENCY	NO. OF TABLES
Total	3218
Recurring	2960
Daily	70
Weekly	81
Bi-Weekly	15
Monthly	1571
Quarterly	720
Semi-Annually	382
Annually	90
Non-Scheduled	31
Special	258

MACHINE LISTS AND TABULATIONS DISTRIBUTED

FREQUENCY	NO. OF REPORTS	NO. OF RECIPIENTS
Total	606	3365
Recurring	497	3256
Monthly	408	2245
Quarterly	40	830
Semi-Annually	22	118
Annually	7	43
Non-Scheduled	20	20
Special	109	109

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STATISTICAL REPORTING BRANCH/PERSONNEL OPERATIONS DIVISION

ACTIVITY REPORT

As of 30 June 1964

	Total Hours	O/S Forms	Actions	T/O & Clng. Rpt.	Day, Wk., Mo. Strength Rpts.	Photostats	PCR	Separations	PSR	PSR Supp.	Historical Ann.	Rosters	TRNG		Special Rpts.	Other Rec. Rpts.	Miscellaneous	
													Internal	External				
Total Hours a/	12258	599	47	113	758	86	112	408	1074	610	243	448	51	70	2791	4379	469	
Data Prep	4620	146	4	90	507		26	250	422	373	71	65	11	22	889	1700	44	
Rpt. Dist.	480				8		70		2	2		36				40	322	
Typing	1824				20	19		16	42	10		31				928	672	86
Filing	366	41	27	2					1		2	52				28	174	39
Lining	210				8	14		15	44	24	8	8				24	51	14
Verifying Recs. and Rpts.	1760	16		8	149	41	12	35	160	93	142	48				282	763	11
Statistical Analysis	394				12				312	10						55	5	
Drafting	71									2						24	41	4
Graphics	479					6				10						241	222	
Report Writing	35			10	2				2							20	1	
Coding	391	382									2							7
Report Assembly	382		8	2	31	6		43	27	9		84		15	66	91		
Planning	89				12			13								40	21	3
Liaison	3	2			1													
Destroying Documents	152									1		82				4	30	35
Corr. Research	124	7								2	10	8				4	93	
Other Activity	346	5	8				4	4	4	6	8	34	40	33	38	13	149	
Ozalid	532			1	8			32	58	68					108	180	77	

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a/ Excludes Branch Chief

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GROUP 1  
EXCLUDED FROM AUTOMATIC DOWNGRADING  
AND DECLASSIFICATION

TAB

B

# Great Moments in Credit Union History

d i s t r i b u t e d  
i n t h e  
i n t e r e s t o f  
c r e d i t u n i o n  
h i s t o r y



*introductory  
comments by*  
**C. F. Eikel, Jr.**

Managing Director  
CUNA Mutual Insurance Society

History is made by people. It may be recorded in a family's picture album tucked away in a closet. It may be recorded in files of newspapers, books and letters in a library revealing the deeds, big and little, of men and women, the humble and the mighty. It may be revealed in old newsreels and works of art in museums. In each case the record of history is a treasure preserved for future men and women, to become a source of memories and a source of learning, a source of inspiration and a guide to living.

Credit union history is such a record. Its pages cover little more than a century of time, yet the brief history of the credit union movement around the world is one of the most inspiring. In the first place it is the history of a great and moving idea. It is also the life story of unassuming men and women who had faith in that idea. It is the record of first efforts made to translate that idea into the language of action, into the first credit unions in nineteenth-century Germany under the inspiration of Frederick William Raiffeisen. Credit union history is the story of men and women who could read and write little, and of men and women who were the most learned, joining to advance the great idea of the credit union. Material

poverty forced many of them to seek the credit union way, but others, who were rich in talents and conviction as well as in material things, were also attracted to the credit union idea. All of the people in the movement are in the last analysis motivated by their faith and dedication to their fellow humans.

Out of that inspiring history we have chosen several examples to portray in our 1963 calendar under the title "Great Moments in Credit Union History." For each month during the year the CUNA Mutual calendar shows a place or an event important in the development of the credit union movement as we know it today. Here is Raiffeisen offering sympathy and a practical way to defeat a farmer's debt problem; Alphonse Desjardins, who planted the seeds of the first credit union in North America at his home town of Levis, Quebec; Edward A. Filene finding in India the answer to the common man's money problems; Roy F. Bergengren at a moment early in United States credit union history; President Franklin D. Roosevelt at the signing of the first Federal Credit Union Act; Estes Park, Colorado, the organization site of Credit Union National Association, Inc.; the formation of CUNA Mutual Insurance Society; the first policyowner credit union of CUNA Mutual in Canada; President Harry S. Truman at Filene House dedication ceremonies; the extension of credit unions beyond the United States and Canada to Jamaica; Tom Doig and Rev. Dr. MacDonald honored at the home of the Antigonish movement in Canada; the memorial plaque to Filene at Boston Common, a spot that now marks the historical importance of the credit union movement.

We have gathered these original drawings in this booklet and now proudly present it in the hope it will inspire deeper interest in the credit union movement, of which CUNA Mutual Insurance Society has been an important partner since its formation in 1935. We naturally believe that our future is as inseparably linked to the credit union movement as our past has been. We hope you who read this pictorial message will be moved to join in advancing the credit union frontier and help make history.



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## The Credit Union Idea Is Born

The credit union idea was born more than a century ago in the mind and heart of Frederick William Raiffeisen, mayor of a small town in Germany. The atmosphere of its birth was famine among farmers. Debt of epidemic proportions and unscrupulous money lenders were taking all that the farmers owned. Deeply troubled by the suffering of his people, Raiffeisen appealed to wealthy citizens for aid, but their help was inadequate. This was the time for the dawn of a new idea, and it came to Raiffeisen in these troubled times — an idea that the people could surmount this common problem of poverty by pooling their own meager savings and lending them to each other at a low rate of interest. This was the credit union idea.

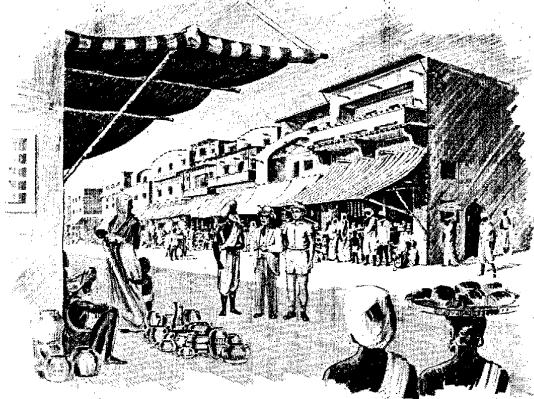


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## The First American Credit Union

The seeds of the credit union idea were first planted in North America at Levis, Quebec, in 1900 by Alphonse Desjardins, French-Canadian journalist. Troubled by the economic plight of his friends and neighbors, Desjardins wanted to prove that people could help themselves by saving together and lending to each other at low rates of interest. The success of this credit union, which he established in his own home at Levis, was the basis on which he was able to organize a second, a third, and ultimately many more credit unions. Credit unions became a way of life for Desjardins, and he ultimately helped to establish the idea in the United States. His credit union experience at Levis was thus the foundation on which the credit union movement of North America was built.



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## Filene in India

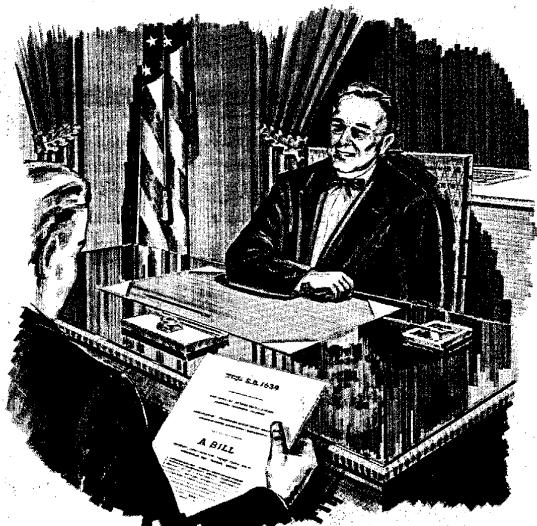
Halfway around the world in India, Edward A. Filene, a wealthy Boston merchant, was introduced to the credit union idea in 1907 while he was on a world tour. He was so impressed that he returned to his home in Massachusetts determined to establish credit unions for the means of helping people and the economic growth of the United States. Filene began by helping to secure passage of the first state credit union act by the Massachusetts legislature in 1909. This was the beginning of his thirty-year crusade to establish credit unions in his own country, and is the reason why he is known today as the "Father of the U. S. Credit Union Movement".



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## The Credit Union Extension Bureau

The first organized plan for the establishment of today's multi-million member credit union movement began in a modest little office in Boston in 1921. This was the first home of the Credit Union National Extension Bureau which was financed by Edward A. Filene and managed by Roy F. Bergengren. The primary assignment of the Bureau was to "Get Laws Enacted" in the various states to make credit union development possible. From this office Mr. Bergengren directed the great crusade to get the United States credit union movement rolling. The crowning moment came in 1934 when the Federal Credit Union Act was passed in Washington. Much of the success of today's credit union movement can be traced to Mr. Bergengren's direction of the Credit Union National Extension Bureau.

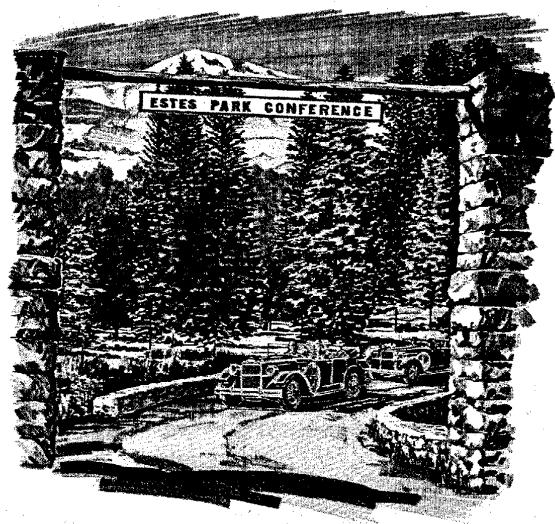


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## Roosevelt Signs Credit Union Act

The history of credit unions in the United States passed a significant milestone in 1934 — the year President Franklin Delano Roosevelt put his signature on the Federal Credit Union Act. This was the climax and culmination of years of effort by hard working credit union people in many parts of the nation, and by their friends in the United States Congress. It meant that credit unions could be organized everywhere in the U. S. under charters from the Federal government. It was followed by an immediate upsurge in credit union expansion. Today there are over 10,000 Federally chartered credit unions with more than \$3 billion in assets.

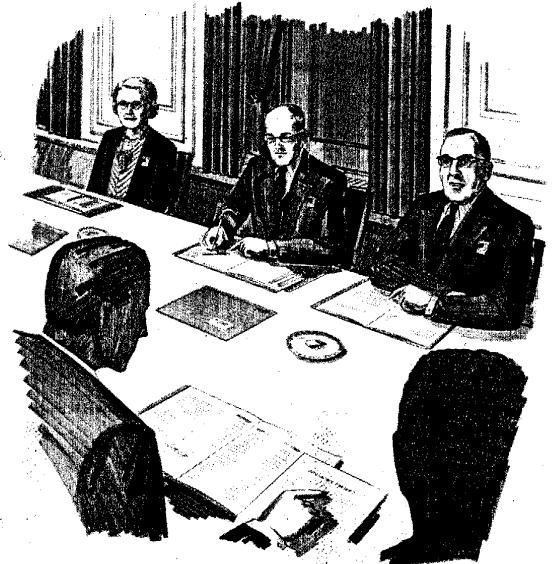


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## Birthplace of CUNA

Men and women who had worked for years to build credit unions gathered at Estes Park, Colorado, in August, 1934. These 50 leaders of credit unions from 22 states then performed an historic act. They wrote the constitution for the Credit Union National Association and organized it as their leading body in the United States. This association, originally made up of state credit union leagues, and later of provincial leagues in Canada, and in other countries, carried on the work begun in 1921 by Mr. Filene and Mr. Bergengren with the old Credit Union National Extension Bureau. Soon after CUNA's establishment, two affiliates were organized — CUNA Mutual Insurance Society in 1935 and the CUNA Supply Cooperative in 1936.

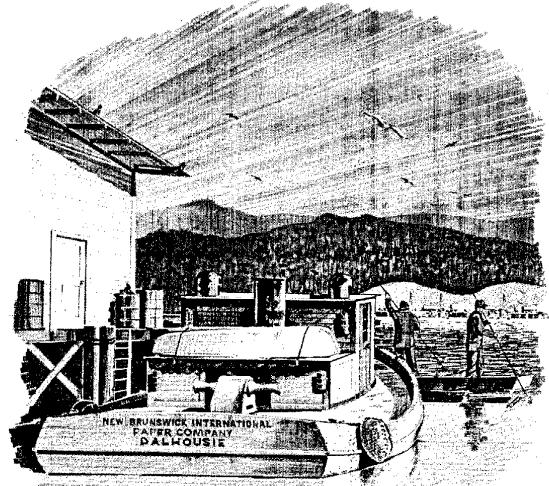


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## The Formation of CUNA Mutual

Pioneer leaders of the newly-formed Credit Union National Association demonstrated quickly that they had vision and courage. At its first meeting in Kansas City, Missouri in January, 1935, the original CUNA National Board voted to create the credit union movement's own life insurance Society as a means of meeting the credit unions' needs for adequate, low-cost borrower's protection. This was the beginning of CUNA Mutual Insurance Society, born of necessity and courage and nurtured by the strong belief of credit union people in the self-help principle of credit union philosophy. The wisdom of the Society's pioneer founders was soon confirmed in accelerated credit union expansion. It has been reconfirmed over and over down through the years by the steady increase in CUNA Mutual services for credit unions and their members.

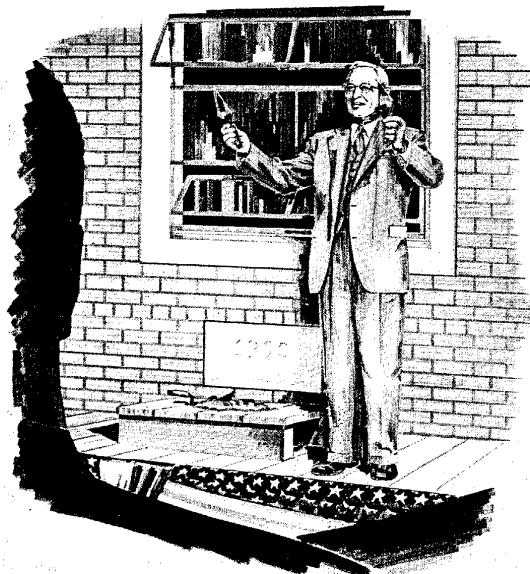


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## Unity Begins at Dalhousie

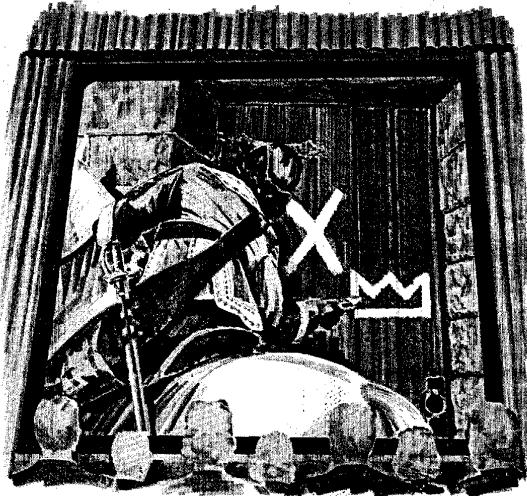
The first major step toward unification of Canadians and Americans into a united credit union movement took place at Dalhousie, New Brunswick, in 1937 when the Dalhousie Industrial Credit Union Society began using the services of CUNA Mutual Insurance Society. This credit union in a small northern New Brunswick paper mill city showed other Canadian credit unions the way to strengthening their member service with the Loan Protection and Life Savings services of the credit union life insurance Society. Thousands of Canadian credit unions followed Dalhousie in the use of CUNA Mutual's services, and the Canadian credit union leagues affiliated with CUNA officially in the early 1940's.



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## A U. S. President Dedicates Filene House

One of the proudest moments in the history of credit union people took place on May 14, 1950, when the President of the United States, Harry S. Truman, came to Madison, Wisconsin, to dedicate Filene House as the headquarters of the credit union movement. Over 5,000 credit union leaders from the U. S., Canada and other areas were on hand as President Truman dedicated the building in the name of the late Edward A. Filene, the Boston merchant-philanthropist who gave so generously of his time, energy and personal resources to establish credit unions in the U.S. Thousands of credit union organizations and credit union people acknowledged his great gift by contributing to the fund which made possible the construction of Filene House.



## The First Credit Union Movie

The dramatic growth of the credit union movement into an organization serving millions of people meant that it had greatly enlarged responsibilities in the field of mass communications. A high point in the credit union movement's adoption of new communications techniques came in 1953 when the Credit Union National Association produced its first movie, "King's X", as a means of telling the credit union story to members and non-members alike. This dramatic portrayal of the days when only the existence of a "King's X" on one's door saved one from imprisonment for debt is still a powerful instrument for telling the credit union story. Its production was an important milestone in credit union history because it ushered the credit union movement into an era when its use of the finest techniques of mass communication was to become essential to its continued progress.



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## World Extension of Credit Unions

The message of the tremendous good which the credit union was accomplishing in the United States and Canada ultimately stirred up interest and hope in many other areas of the world. Thanks to the growing strength of the credit union movement in both nations, it was possible for the Credit Union National Association to develop a formal program for World Extension of the credit union idea. The first such overseas credit unions were started in Jamaica in 1943 under the leadership of a Catholic priest, the Rev. J. P. Sullivan. Credit unions have since been established in more than 60 countries, and their value in helping the people of other nations to economic self-improvement has been recognized officially by the Government of the United States. The services of CUNA Mutual Insurance Society are also being extended to overseas credit unions wherever it is possible.



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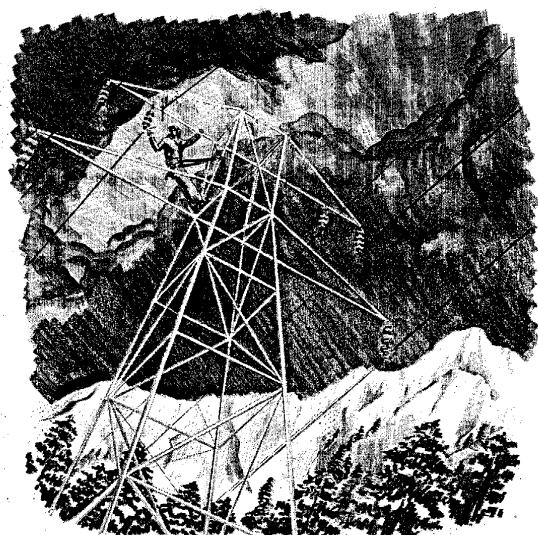
## Honors for Credit Union Leadership

The credit union movement was honored by one of Canada's great educational institutions in June, 1953, when St. Francis Xavier University of Nova Scotia conferred honorary degrees on two international credit union leaders — one an American and one a Canadian. The degrees were presented to the Rev. Dr. J. D. Nelson MacDonald, a Nova Scotia clergyman who had worked since the 1930's to extend credit unions in Canada, and to Thomas W. Doig, managing director of the Credit Union National Association, CUNA Mutual Insurance Society, and CUNA Supply Cooperative from 1945 until his death in 1955. Doig was the greatest credit union organizer in the history of the credit union movement. Dr. MacDonald, has been a director of CUNA, CUNA Mutual and CUNA Supply, and was CUNA Mutual's president in 1959 - 1961.



## Commemoration In Boston

The credit union movement began officially in the United States in Boston in 1909 when the Massachusetts legislature passed the first state credit union law. Three men who occupy prominent places in credit union history played prominent roles in its passage: Pierre Jay, Massachusetts banking commissioner who sponsored the law; Alphonse Desjardins, the French-Canadian who had established the first North American credit union at Levis, Quebec, in 1900, and Edward A. Filene, Boston merchant-philanthropist. The city of Boston demonstrated in 1959 that it was proud of its role in credit union history and of the important part played in that history by one of its native sons. On the 50th anniversary of the passage of the Massachusetts credit union law, the city authorized the Credit Union National Association to place a Filene Memorial Plaque in the famed Boston Common.



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## the lesson of the lineman

Tragedy was the teacher who taught credit union pioneers the need for life insurance protection in their credit union operations.

It came in "The Lesson of the Lineman"—the story of a power company lineman who belonged to one of the early credit unions nearly 30 years ago. It came on a winter day as he was doing his daily job on the ice-covered steel latticework of a giant high tension tower.

A sudden crackle and burst of flame and a loose length of cable whipped at him. In seconds he was dead, hanging limply by his safety belt.

This lineman had borrowed \$250 only two days before his fatal accident. Two other linemen were co-makers and they were able to pay the loan in full out of their own savings. However, the directors of the credit union felt unhappy and unsatisfied.

They felt that some way could and must be found to make the credit union debt "die with the debtor." Credit life insurance seemed to be the logical answer, but it was not available at premium rates which made its use possible for credit unions. There were also too many restrictions in existing policies.

This was the climate in which many credit union people of that period began to think seriously and hopefully about the possibility of forming their own life insurance company to meet the needs of credit unions and their members.

Their dream became a reality in 1935 only six months after the formation of the Credit Union National Association. At its first meeting in Kansas City, Missouri, in January, 1935, the National Board of CUNA voted to establish their own credit union life insurance Society.

CUNA Mutual Insurance Society was created as the answer of credit union pioneers to the tragic "Lesson of the Lineman." It was an answer which enabled credit unions to rise to new heights of member service through development of their own credit union insurance programs.



the credit union insurance society  
**CUNA MUTUAL INSURANCE SOCIETY**

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